Graywall Farms

Robin & Lincoln Chesmer 49 Chappell Road Lebanon, CT 06249

February 20, 2023

Testimony of Robin Chesmer in SUPPORT of:

SB 350 AN ACT EXEMPTING CERTAIN AGRICULTURAL VEHICLES FROM THE HIGHWAY USE TAX

Graywall Farms is a three-generation dairy farm in the rural town of Lebanon cropping 1200 acres to feed 800 cows plus youngstock. I am proud to work with my son and three grandchildren who have returned to pursue careers on our Connecticut family farm. -Robin Chesmer

Chairman Fonfara and Horn, Vice-Chairs Miller and Moore and Members of the Finance, Revenue and Bonding Committee:

I ask you to support SB 350 and help maintain a viable economy for Connecticut farmers.

PA 21-177 was passed in 2021 which imposed a mileage tax on trucks traveling on Connecticut highways. Collection of the Highway Use Tax (HUT) began on January 1, 2023.

The Highway Use Tax (HUT) is inflationary to all businesses that depend on trucks to move goods throughout the state. Transportation costs have sky-rocketed in recent years and HUT further adds to the escalation of costs for many businesses. Fortunately, or unfortunately, most businesses then pass the added cost on to the consumer.

Dairy farms are in a particularly difficult situation as they cannot pass the HUT cost on to the consumer. Milk pricing is determined by the Federal Milk Marketing Order. **Dairy farmers are price takers and not price makers.** Transportation costs of milk and raw ingredients are all absorbed by the farmer with **no ability to pass along the additional HUT costs of production.**

Connecticut agriculture provides an abundance of locally grown agricultural products while providing jobs and contributing to the state's economy. Additional benefits include wildlife habitat, water resources, recreational opportunities, quality of life and most importantly, solutions for climate change. I urge you to **support SB 350** and keep CT agriculture growing!

Respectfully submitted,

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